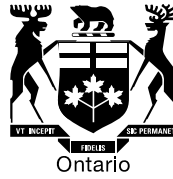


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BY E-MAIL

March 2, 2007

Mr. Glen MacDonald
Senior Advisor – Regulatory Affairs
Hydro One Networks Inc.
8th Floor, South Tower
Toronto, ON M5G 2P5

Dear Mr. MacDonald:

**Re: Hydro One Networks Inc. – 2007 and 2008 Electricity Transmission Rates
Application - Board File Number EB-2006-0501**

The Board has issued its Procedural Order No. 3 in the above matter and an executed copy is attached.

Yours truly,

Original signed by

Kirsten Walli
Board Secretary

c. All Intervenors and Observers in the EB-2006-0501 proceeding

Encl.